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Attorney for: Credit Acceptance Corporation
JM-5630_____

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re:)	
)	Case No. 18-19727(ABA)
KENNY WELCH, SR.)	
)	Chapter 13
)	
)	Hearing Date: 7-25-18
)	
)	
)	
)	<u>OBJECTION TO CONFIRMATION</u>

Credit Acceptance Corporation ("Credit Acceptance"), a secured creditor of the Debtor, objects to the Debtor's plan for the following reasons:

- a. **Interest rate low:** Credit Acceptance has a first purchase money security interest encumbering a 2009 HONDA CR-V owned by the debtor. The amount being paid through the plan of \$8025 is acceptable, but the plan does not pay *Till* rate of interest. The plan should be amended to provide for payment of \$8025 plus interest at 6%. The trustee should compute interest. If interest was pre-computed, the debtor would pay CAC \$9308.74 over 60 months.

- b. The plan offers adequate protection payments that need to be increased. Adequate protection payments should be made to Credit Acceptance beginning in JUNE of 2018 at \$120 per month, being 1.5% of vehicle value. Payments should continue up to and after confirmation, until regular payments are to be commenced through the plan to Credit Acceptance. Adequate protection payments to Credit Acceptance should be given super priority administrative expense status and in all events must be paid prior to payment of any counsel fees to Debtor's attorney.
- c. **Proof of insurance:** The vehicle must be insured with comprehensive and collision insurance coverage and liability coverage in accordance with the requirements contained in the contract. Credit Acceptance Auto Finance must be listed as loss payee or additional insured. **The Debtor must provide Credit Acceptance with proof that the vehicle is insured in accordance with §1326(a)(4) and this portion of the objection to confirmation should be considered a demand that the Debtor provide proof of insurance.**
- d. Credit Acceptance must retain its lien on the vehicle following confirmation.

e. **Order of payments:** The order of payments must be revised to account for the super priority status of adequate protection payments to Credit Acceptance.

/s/ John R. Morton, Jr.
John R. Morton, Jr., attorney for
Credit Acceptance Corporation

Dated: 7-14-18